

Hispanic-Owned Businesses in Miami-Dade in 2007

On September 21st, 2010, the U.S. Census Bureau released its statistics from the 2007 Survey of Business Owners (SBO) for Hispanic-owned businesses. The survey is conducted every five years as part of the economic census. It collects data for businesses and business owners and issues a series of reports on other minority-, women- and veteran-owned businesses.

The SBO data provides detailed information on business ownership by race, ethnicity, gender, and veteran status. The collected data provides key measures on the number of firms, sales and receipts, number of paid employees and annual payroll. Data are presented by geographic area (including county, city and metro area), industry and size of business, as well as detailed Hispanic origin.

The Survey of Business Owners defines Hispanic-owned businesses as firms in which Hispanics own 51 percent or more of the equity, interest or stock of the business.

Detailed statistics are shown for four Hispanic subgroups, specifically businesses owned by persons of Mexican, Cuban, Puerto Rican, or other Hispanic, Latino, or Spanish origin.

In 2007, Hispanic-owned businesses in Miami-Dade County totaled 244,148 firms, employed 169,525 people, and generated over \$45,039 million in revenues (see Table 1). A ratio of just less than 1 in every 2 Hispanic-owned firms was owned by persons of Cuban origin. The remaining subgroups include Hispanic-owned businesses owned by Mexicans (3.2 percent), Puerto-Ricans (6.9 percent), or other Hispanics (38.9 percent). About 2.7% of all Hispanic-owned firms were not assigned to any of those subgroups.

The number of businesses owned by Hispanics in Miami-Dade County increased by 49.6 percent between 2002 and 2007; total sales and receipts of these firms represented an increase of 71.7 percent from 2002.

Table.1
Hispanic Business Ownership
Miami-Dade County, Florida, and U.S.,
2002 to 2007

	Firms in 2002			Firms in 2007			Percent Change, 2002 - 2007		
	Miami-Dade	Florida	U.S.	Miami-Dade	Florida	U.S.	Miami-Dade	Florida	U.S.
All firms	163,187	266,688	1,573,464	244,148	450,185	2,260,309	49.6%	68.8%	43.7%
Employer firms	24,024	39,955	199,542	28,455	54,683	249,168	18.4%	36.9%	24.9%
Nonemployer firms	139,163	226,733	1,373,922	215,693	395,502	2,011,141	55.0%	74.4%	46.4%

Source: U.S. Census Bureau, 2007 Survey of Business Owners: Hispanic. Miami-Dade County, Department of Planning and Zoning, Research Section.

Miami-Dade At-A-Glance



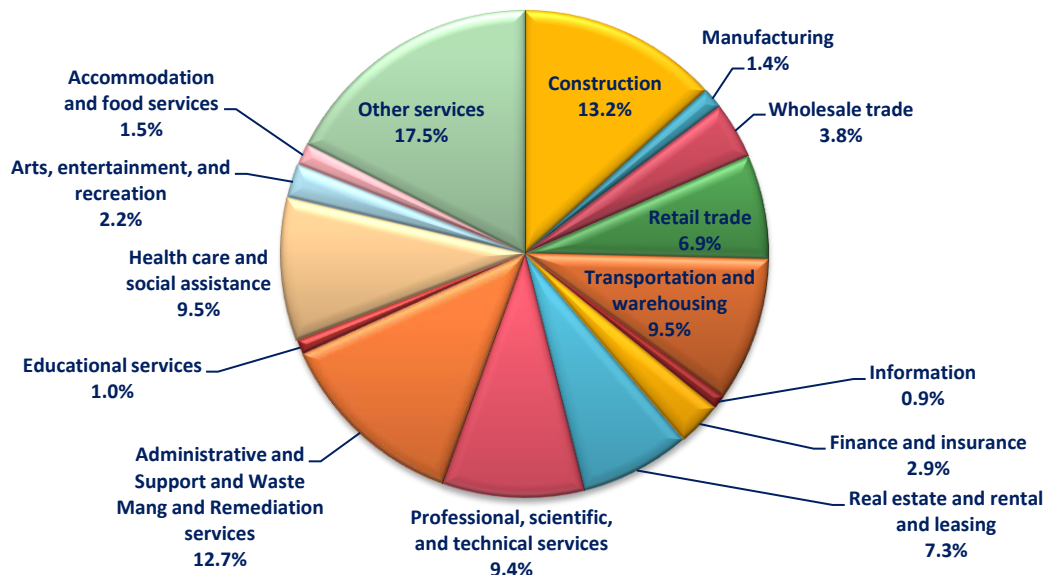
Of the 244,148 Hispanic-owned businesses in Miami-Dade County, 28,455 had paid employees, an increase of 18.4 percent from 2002. These businesses employed 38,074 more people and had an increase of \$1,741.810 million in their annual payroll from 2002. These numbers represented increases of 29.0 percent and 50.9 percent, respectively from that year.

Nearly one fifth (42,650 or 17.5 percent) of Hispanic owned firms in Miami-Dade County operated in *Other services* (except public administration). This followed by 32,223 firms (13.2 percent) in *Construction* and 30,934 firms (12.7 percent) in *Administrative and support and waste management and remediation services* (Figure 1). These three sectors combined accounted for 15.5 percent of all Hispanic-owned business revenue in 2007. However, Hispanic firms operating as wholesalers accounted for the greatest portion of total receipts with \$16,407.554 million or 36.5 percent.

Of the 244,148 Hispanic-owned businesses in Miami-Dade County, 215,693 had no employees, an increase of 55.0 percent from 2002. These nonemployee business receipts totaled \$7,412.510 million, an increase of 69.6 percent from 2002. Among states with the largest percentage of Hispanic-owned firms in 2007, Florida comprised 22.4 percent of the nation's Hispanic-owned businesses. Overall, about 61.8 percent of Hispanic business activity in Florida occurs in Miami-Dade County measured by sales and receipts.

While Hispanic-owned firms in Miami-Dade County continue to grow and extend their participation in the local economy, their true economic potential in job creation is still unrealized as there are only 28,455 Hispanic-owned firms with employees and it is estimated that approximately 4,800 have revenues greater than \$1 million.

Figure 1.
Number of Hispanic-Owned Firms in Miami-Dade County, by Major Sector, 2007



Source: U.S. Census Bureau, 2007 Survey of Business Owners: Hispanic. Miami-Dade County, Department of Planning and Zoning, Research Section.

Miami-Dade At-A-Glance



Miami-Dade had the largest increase in all employers' sales which grew by about 50 percent between 2002 and 2007. At the same time, sales for the Hispanic-owned employers' subgroup in Miami-Dade grew even faster, increasing by over 72 percent since 2002.

The number of Hispanic-owned employer firms in Miami-Dade increased by 18.4 percent over the period reviewed. This rate was significantly higher than the rate of 8.8 percent for all employer firms in the County. However, it was significantly below the comparable figures Hispanic-owned employers in Florida and the United States.

Table 2.
Employer Firms
Percent Change, 2002 -2007

All Employers	Number of Firms	Employers' Receipts	Number of Employees	Annual payroll
US	4.1%	33.8%	7.1%	28.2%
Florida	15.3%	36.6%	17.1%	40.3%
Miami-Dade	8.8%	50.0%	17.8%	49.2%
Hispanic-owned				
US	24.9%	52.9%	25.7%	48.7%
Florida	36.9%	77.9%	37.5%	57.4%
Miami-Dade	18.4%	72.2%	29.0%	50.9%

Source: U.S. Census Bureau, 2002 and 2007 Survey of Business Owners: Hispanic. Miami-Dade County, Department of Planning & Zoning, Research Section.

Table 3.
Employer Firms

2002					
All Employers	Firms	Employers' Receipts (\$1,000)	Employees	Average Number of Employees	Annual Payroll (\$1,000)
US	5,524,784	\$21,836,249,354	110,766,605	20	\$3,812,427,806
Florida	360,179	\$1,022,017,541	6,205,482	17	\$185,846,799
Miami-Dade	61,370	\$152,947,630	849,262	14	\$27,210,151
Hispanic-owned					
US	199,542	\$179,507,959	1,536,795	8	\$36,711,718
Florida	39,955	\$33,380,312	222,516	6	\$5,869,062
Miami-Dade	24,024	\$21,855,131	131,451	5	\$3,419,624
2007					
All Employers					
US	5,752,975	\$29,208,766,497	118,668,699	21	\$4,886,976,706
Florida	415,144	\$1,396,007,087	7,266,120	18	\$260,763,392
Miami-Dade	66,753	\$229,351,112	1,000,183	15	\$40,583,965
Hispanics-owned					
US	249,168	\$274,494,450	1,932,243	8	\$54,601,988
Florida	54,683	\$59,383,829	306,015	6	\$9,239,310
Miami-Dade	28,455	\$37,626,491	169,525	6	\$5,161,434

Source: U.S. Census Bureau, 2002 and 2007 Survey of Business Owners: Hispanic. Miami-Dade County, Department of Planning & Zoning, Research Section.

Overall, employer firms in Miami-Dade, Florida and the United States increased their average number of employees by one employee between 2002 and 2007.

In the subgroup of Hispanic-owned firms, Miami-Dade was the only area to register an increase the average number of employees, as it rose from 5 to 6 over the same period.

Miami-Dade At-A-Glance



Table 4.
Nonemployer Firms

	2002			2007		
	Miami-Dade	Florida	U.S.	Miami-Dade	Florida	U.S.
All Nonemployers (Number)	236,088	1,179,028	17,449,871	337,070	1,595,262	21,357,387
Percent of all firms	79.4%	76.6%	76.0%	83.5%	79.4%	78.8%
Receipts (\$1,000)	\$8,742,382	\$53,784,657	\$767,409,550	\$13,136,355	\$74,104,936	\$972,694,292
Receipts per firm (dollars)	\$37,030	\$45,618	\$43,978	\$38,972	\$46,453	\$45,544
Hispanic-owned (Number)	139,163	226,733	1,373,922	215,693	395,502	2,011,140
Percent of all Hispanic-owned firms	85.3%	85.0%	87.3%	88.3%	87.9%	89.0%
Receipts (\$1,000)	\$4,371,090	\$7,511,663	\$42,419,467	\$7,412,510	\$13,540,484	\$70,688,620
Receipts per firm (dollars)	\$31,410	\$33,130	\$30,875	\$34,366	\$34,236	\$35,149

Source: U.S. Census Bureau, 2002 and 2007 Survey of Business Owners: Hispanic. Miami-Dade County, Department of Planning & Zoning, Research Section.

From 2002 to 2007, nonemployer firms fared well in Miami-Dade, Florida and the United States in terms of number, total sales and average sales. In 2007, the share of nonemployer firms relative to all firms grew significantly in all areas. For Miami-Dade, it reached 83.5 percent in 2007, up from 79.4 percent in 2002. Hispanic-owned nonemployer firms attained an even higher share of all Hispanic-owned business increasing from 85.3 percent in 2002 to 88.3 percent in 2007.

Table 5.
Nonemployer Firms
Percent Change, 2002 - 2007

All Nonemployers	Miami-Dade	Florida	U.S.
Number	42.8%	35.3%	22.4%
Receipts	50.3%	37.8%	26.8%
Receipts per firm	5.2%	1.8%	3.6%
Hispanic-owned Nonemployers			
Number	55.0%	74.4%	46.4%
Receipts	69.6%	80.3%	66.6%
Receipts per firm	9.4%	3.3%	13.8%

Source: U.S. Census Bureau, 2002 and 2007 Survey of Business Owners: Hispanic. Miami-Dade County, Department of Planning & Zoning, Research Section.

The number of Hispanic-owned businesses without paid employees in Miami-Dade County grew by 55.0 percent to 215,693. This was above the corresponding national rate of 46.4 percent between 2002 and 2007.

Although Hispanic-owned nonemployer firms in Miami-Dade did better than the broader group of all nonemployers in terms of sales growth, their average receipts increased by 9.4 percent between 2002 and 2007. This was four percentage points below the 13.8 percent increase seen nationwide.

Firms without paid employees continued to be the predominant type of Hispanic-owned businesses in Miami-Dade. Compared to all nonemployer firms in the County, however, they were about 12 percent smaller, as measured by average receipts.

On average, Hispanic employer firms had much larger average receipts than Hispanic firms without paid employees. However, when compared to all employer firms, Hispanic-owned employers were quite small. In fact, using this same yardstick, these firms in Miami-Dade in 2007 had average receipts of \$1,322,316 compared to \$3,437,817 for all employer firms in the County.

In conclusion, it should be clear that while Hispanic-owned firms in Miami-Dade County have grown substantially, they still trail the broader group of all firms in the County in terms of average receipts and number of employees.